# Transaction Specialists' Educational Forum

Presented By: Nastassja Johnson

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Office of State Controller Malia M. Cohen

December 4, 2025

# SCO Mainframe: Password to Passphrase

Presenter: William Nguyen

Contact: pmo@sco.ca.gov

**Purpose: Notify external agencies of upcoming changes to Mainframe login requirements due to the transition from 8-character passwords to passphrases**

- Project Information
  - Objective: Align with the California's Department of Technology's passphrase mandate by converting all Mainframe users to passphrases and reducing the Information Security Office (ISO) Help Desk passphrase-reset calls
  - Benefits: The z/Pass self-service web tool (internal/external) allows users to unlock accounts and reset passphrase, reducing ISO workload and resource costs

- Project Status / Progress
  - The technical Team deployed the z/Pass web tool on September 30, 2025.
  - The SCO Project Management Office established a wave-based rollout plan identifying when each agency can begin passphrase conversion.
    - Full external agency rollout is scheduled for January-March 2026
  - Organization Change Management will launch wave-based communications, including awareness, reminder, call to action, and follow up notices. The specific timeline, z/Pass tool link, and Quick Guide link will be provided in the notices.

# Lump Sum Updates

# Lump Sum Updates

- New 2026 Limits

- Secure Act, Section 603 Review

- New Form Review/Reminders

- Common Errors To Date

- FAQs and Resources

# 2026 Contribution Limits increased on November 13, 2025:

|  | 2025 | 2026 |
|---|---|---|
| Standard Limit | 23,500 | 24,500 |
| Age 50+ Catch-Up | 7,500 | 8,000 |
| Age 60-63 Catch-up | 11,250 | 11,250 |

# SECURE ACT: Section 603

**Effective January 1, 2026**

**Age Based Catch-up only**

- Age 50+
- Age 60 to 63

**Impacts high earners**

- $150K in Social Security taxable wages in the PRIOR tax year (cost of living increase from 145k on 11/13/25)
- Safety does not pay into Social Security
- Not aggregate across employers
- Lump Sum is included in this total

## 2025

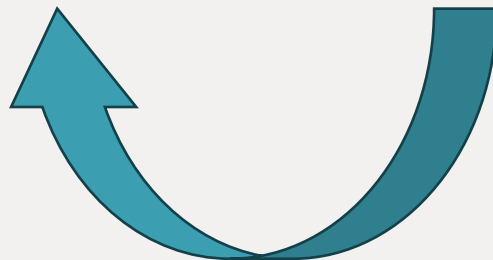Your Social Security Taxable Wages Include:

1. Salary

2. Cash Out Amount

3. Any Contributions - including Lump Sum

Did you exceed $150K?

## 2026

# Can I do pre-tax age-based catch-up?

The answer is in the PRIOR tax year

# Worksheet

## Lump Sum Separation Worksheet

Fill in the worksheet before you complete the form.

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## Lump Sum Separation
### (Do not submit with form)

### Step 1: Determine the amount of your Lump

**SECTION 1: LUMP SUM SEPARATIO**

Work with your HR Office to obtain an estimate of your lum
You may also estimate the cash value of your leave by usin
Monthly gross base pay / 173.33 = hourly wage. Hourly wag
Validate the estimate with your HR Office as other factors

1.1 Enter the estimated amount of your Lump Sum Sepa

1.2 Enter the amount that you wish to receive as a direc

1.3 Subtract the amount in Line 1.2 from Line 1.1. This will
amount used as your Lump Sum Separation Savings

### Step 2: Understand your options and limits

**SECTION 2: STANDARD IRS CONTRI**

This will help you determine the amount that you are eligib
amounts, minus any contributions you have already contrit

2.1 Enter the standard IRS contribution limit for the curr
**Tip:** You can find these amounts at savingsplusnow.c

2.2 Enter your year-to-date contributions here.
**Tip:** You can find your year-to-date contribution amc
to Cal Employee Connect or working with your persc

2.3 Subtract the amount(s) of Line 2.2 from the amount
These are the remaining balances that you may cont
exceeding the standard contribution limit per IRS.
Allocate the amount(s) here, between pre-tax and Roth in the
Standard IRS Contribution table in Section 2 of the form.

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## SECTION 3: CATCH-UP CONTRIBUTION — CURRENT TAX YEAR

This section will help you determine the catch-up amount that you are eligible for, and how to allocate your Lump Sum
Separation Savings Plus Contribution.

**Determine if you are eligible for Age-Based and/or Traditional Catch Up contributions.**

3.1 Subtract the amount entered in Line 2.3 from Line 1.3

Any amount here, may be utilized for Catch-Up. Note, if the amount listed is greater that the allowable IRS limit for
Age Based or Special Catch Up, consider applying for Traditional Catch-Up to contribute more. You may use Age
Based, Special, OR Traditional Catch-Up, but only one may be used each year. Complete lines 3.2 — 3.5.

| | | 401(k) | 457(b) |
|---|---|---|---|
| 3.2 | Enter the amount of Age-Based Catch-Up (50+) you are eligible for: | $ | $ |
| 3.3 | Enter the amount of Special Age-Based Catch-Up (60-63) you are eligible for here: | $ | $ |
| 3.4 | Enter the greater of Line 3.2 and 3.3. This is the age-based catch-up amount that should be used: | $ | $ |
| 3.5 | Enter the current year Catch-Up amount from your Traditional Catch-Up Approval letter here: | | $ |
| 3.6 | Choose only one of the amounts from Lines 3.4 and 3.5 that best aligns with your strategy. This is the total eligible catch-up amount that is available in the current tax year. | | $ |

Allocate the amount(s) here, between pre-tax and Roth in
the Catch-Up Contribution table in Section 3 of the form.

### TOTAL CURRENT TAX YEAR CONTRIBUTION

3.7 Enter the total of Lines 2.3 and 3.6 to find the total amount you are eligible to
contribute in the current tax year: $

3.8 Subtract Line 3.7 from Line 1.3, and enter that amount here: $
This is the amount that will be cashed out to you after your Lump Sum Separation Pay
is processed.

If you are separating in November or December, you may be able to defer this
remaining portion into a SECOND tax year. If this applies to you, move to Step 3.

### STEP 3: Second tax year (Only available if you are separating in November or December.)

**SECTION 4: STANDARD IRS CONTRIBUTION LIMITS — SECOND TAX YEAR**

This will help you determine the amount that you are eligible to contribute in the second tax year, based on the
allowable amount, minus any amounts that you have already allocated in the current year.

| | | 401(k) | 457(b) |
|---|---|---|---|
| 4.1 | Enter in the standard IRS allowable amounts for the second tax year. If next year's IRS contribution limits have not yet been announced, use the limits entered in line 2.1 | | |
| 4.2 | Subtract the amount(s) on Line 3.8 from the amount(s) on Line 4.1 | | |

Allocate the amount(s) here, between pre-tax and Roth in the Standard IRS
Contribution table in Section 4 of the form.

If the amount you're deferring falls within the standard contribution limits, you can stop here and go to the form.

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## SECTION 5: CATCH-UP CONTRIBUTION — SECOND TAX YEAR

Starting January 1, 2026, new IRS rules may require you to make Age-Based Catch-Up contributions (ages 50+ or
60-63) on a Roth (after-tax) basis.
Note: If your wages are not subject to Social Security withholding, this rule does not apply — you may continue making
PRE-TAX catch-up contrib

ow your contributions should be allocated. For more information,
76.

rrent tax year.

rrent tax year from Line 1.2. $

contributions across all plans) $

$

r Age-Based Catch-Up contribution(s) below must be Roth.
e-tax or Roth.

nt you can allocate towards $

| | 401(k) | 457(b) |
|---|---|---|
| iditional Catch-Up | | |
| t subject to Section 603 | | $ |
| you are eligible for here: | $ | $ |
| p (60-63) you are | $ | $ |
| 5.7 and 5.8, that nount available | | |

d Roth in
the form

ount in 5.6 as Pre-tax into the 457(b). Otherwise any amounts
pose not to allocate this amount as Roth, than this remaining

### TAX YEAR CONTRIBUTION

al amount you are $

amount here.
after your Lump $

# Election Form Instructions

## Instructions for the Lump Sum Separation Pay Contribution Election Form

### Before you begin

While not required, it is strongly recommended that you complete the Lump Sum Separation Worksheet before filling out this form. Refer to the worksheet sections noted below for guidance on each part of the form.

### Section 1 — Participant Information (Required)

Provide your:

- Full name, mailing address and contact details
- Separation date (mm/dd/yyyy)
- Personal email address for departmental communication

Note: Double-check your contact info to avoid delays

### Section 2 — Standard IRS Limits (Current Tax Year Deferral) (Required)

Use this section to allocate your lump sum for the current tax year: Refer to Worksheet Section 2 for assistance in completing this section.

- Choose either a specific dollar amount or the Maximum IRS limit—not both
- Indicate your plan priority (1st, 2nd, etc.)

Note:

- If left incomplete, your deferral will default to: 457(b) Pre-tax, then 401(k) Pre-tax
- Catch-Up contributions go in Section 3

### Section 3 — Catch-Up Contribution (Current Tax Year) (Required if applicable)

Complete this section if you are eligible to make Catch-Up contributions: Refer to Worksheet Section 3 for assistance in completing this section.

- Age-Based Catch-Up: For employees 50+
- Special Age-Based Catch Up: For employees 60–63
- Traditional Catch-Up: Requires prior approval and attached approval letter

Note:

- Enter only Catch-Up amounts
- Leave blank if not contributing Catch-Up

Reminder: If this section is incomplete, Catch-Up contributions will not be processed. Visit savingsplusnow.com/lumpsum for details.

### Section 4 — Standard IRS Limits (Second Tax Year) (Optional)

Complete this section only if separating in November or December and deferring into a second tax year: Refer to Worksheet Section 4 for assistance in completing this section.

- Choose either a specific dollar amount or the Maximum IRS limit
- Indicate plan priority

### Section 5 — Catch-Up Contribution (Second Tax Year) (Optional)

Use this section only if deferring Catch-Up contributions into a second tax year: Refer to Worksheet Section 5 for assistance in completing this section.

- Age-Based Catch-Up: For employees 50+
- Special Age-Based Catch Up: For employees 60–63
- Traditional Catch-Up: Requires prior approval and attached approval letter

Note:

- Enter only Catch-Up amounts
- Leave blank if not contributing Catch-Up
- Age-Based Catch-Up contributions may be required as Roth under SECURE Act 2.0, Section 603, depending on your current year Social Security wages
  - If you elect pre-tax, but are subject to the Section 603 provisions, the State Controller's Office (SCO) will process your catch-up contributions as Roth
  - **Traditional Catch Up is excluded, and can be Pre-tax**

Reminder: If this section is incomplete, Catch-Up contributions will not be processed. Visit savingsplusnow.com/lumpsum for details.

### Section 6 — Acknowledgment and signature

Read and sign to certify:

- You understand the election is irrevocable
- You've verified your contribution amounts and plan priorities
- You've attached any required documentation (e.g., Traditional Catch-Up approval)

Note: Any unused or excess leave funds not directed via this form will be paid directly to you and taxed accordingly.

visit savingsplusnow.com/lumpsum

**savingsplus**

# Lump Sum Separation Pay Contribution Election Form

Return completed forms to your personnel specialist at least five (5) workdays (Monday through Friday, excluding Saturdays, Sundays and legal holidays) prior to your separation of service. **Note: Your election is Irrevocable, and this form cannot be changed, amended, or revoked once submitted to your HR Office.**

## SECTION I — PARTICIPANT INFORMATION (REQUIRED)

Last Name, First Name, MI

Mailing Address

City, State, ZIP | Personal Telephone Number

Separation Date (mm/dd/yyyy) | Alternate Contact Telephone Number

Please provide your personal email address so that your department can contact you.

## SECTION 2: STANDARD IRS CONTRIBUTION LIMITS — CURRENT TAX YEAR DEFERRAL (REQUIRED)

If the table to the right is incomplete or incorrect, we will process your deferral in the following order: 457(b) Pre-tax; 401(k) Pre-tax. The order of priority is the order in which you would like the funds to be allocated to the plan (ex: 1st, 2nd, etc.)

For help completing this section, **see Section 2 on the worksheet**. Amounts entered in line 2.3 on the worksheet will be used for this section.

Use Section 3 of the worksheet to ensure your allocation is aligned.

| | Plan | REQUIRED Priority order (1-4) | REQUIRED - Choose Amount or Max Contribution amount | | Maximum IRS limit |
|---|---|---|---|---|---|
| Standard deferral | 457(b) Pre-tax | 1 | $ 23,500 | | |
| | 401(k) Pre-tax | 2 | $ 23,500 | OR | |
| | 457(b) Roth | | $ | | |
| | 401(k) Roth | | $ | | |

## SECTION 3: CATCH-UP CONTRIBUTION — CURRENT TAX YEAR (REQUIRED)

If you are not using catch up, please enter "0" in the table to the right. If the table is not completed, no catch-up contributions will be processed.

For help completing this section, **see Section 3 on the worksheet**. Amounts entered in line 3.6 on the worksheet will be used for this section.

**Note:** If utilizing Traditional catch-up, you **must** complete this table **and** attach a copy of your Traditional Catch-up Approval Letter.

| | Plan | REQUIRED Priority order (1-4) | REQUIRED - Choose Amount or Max Contribution amount | | Maximum IRS limit |
|---|---|---|---|---|---|
| Catch-up deferral | 457(b) Pre-tax | 1 | $ 7,500 | | |
| | 401(k) Pre-tax | 2 | $ 7,500 | OR | |
| | 457(b) Roth | | $ | | |
| | 401(k) Roth | | $ | | |

# Ready For The Form?

# Lump Sum Separation Pay Contribution Election Form

- Important reminders
  - 5 workday rule
  - Irrevocable
  - Keep a copy for records
- Section 1
  - Complete all sections
  - Include PERSONAL contact information

Return completed forms to your personnel specialist at least five (5) workdays (Monday through Friday, excluding Saturdays, Sundays and legal holidays) prior to your separation of service. **Note: Your election is Irrevocable, and this form cannot be changed, amended, or revoked once submitted to your HR Office.**

### SECTION I — PARTICIPANT INFORMATION (REQUIRED)

| | |
|---|---|
| Last Name, First Name, MI | |
| Mailing Address | |
| City, State, ZIP | Personal Telephone Number |
| Separation Date (mm/dd/yyyy) | Alternate Contact Telephone Number |
| Please provide your personal email address so that your department can contact you. | |

# Section 2: Current Year/IRS Limit

- Captures CURRENT YEAR election up to the IRS STANDARD LIMIT

- Enter AMOUNT OR MAX

- Indicate priority of election

## SECTION 2: STANDARD IRS CONTRIBUTION LIMITS — CURRENT TAX YEAR DEFERRAL (REQUIRED)

If the table to the right is incomplete or incorrect, we will process your deferral in the following order: 457(b) Pre-tax; 401(k) Pre-tax. The order of priority is the order in which you would like the funds to be allocated to the plan (ex: 1st, 2nd, etc.)

For help completing this section, **see Section 2 on the worksheet**. Amounts entered in line 2.3 on the worksheet will be used for this section.

Use Section 3 of the worksheet to ensure your allocation is aligned.

| | Plan | REQUIRED<br>Priority order (1-4) | REQUIRED - Choose Amount or Max<br>Contribution amount | | Maximum IRS limit |
|---|---|---|---|---|---|
| **Standard deferral** | 457(b) Pre-tax | | $ | | |
| | 401(k) Pre-tax | | $ | **OR** | |
| | 457(b) Roth | | $ | | |
| | 401(k) Roth | | $ | | |

# Section 3: CURRENT year/Catch-up

- Captures the CURRENT year Catch-Up election

- Enter AMOUNT OR MAX

- Indicate priority of election

## SECTION 3: CATCH-UP CONTRIBUTION — CURRENT TAX YEAR (REQUIRED)

If you are not using catch up, please enter "0" in the table to the right. If the table is not completed, no catch-up contributions will be processed.

For help completing this section, **see Section 3 on the worksheet.** Amounts entered in line 3.6 on the worksheet will be used for this section.

**Note:** If utilizing Traditional catch-up, you **must** complete this table **and** attach a copy of your Traditional Catch-up Approval Letter.

| | Plan | REQUIRED<br>Priority order (1-4) | REQUIRED - Choose Amount **or** Max<br>Contribution amount | | Maximum IRS limit |
|---|---|---|---|---|---|
| Catch-up deferral | 457(b) Pre-tax | | $ | | |
| | 401(k) Pre-tax | | $ | OR | |
| | 457(b) Roth | | $ | | |
| | 401(k) Roth | | $ | | |

# Section 4: SECOND tax year/IRS Limit

- Optional: For employees separating Nov 1 thru Dec 31
- 2 PAR Packages now required
- Captures SECOND TAX YEAR election up to the IRS STANDARD LIMIT
- Enter AMOUNT OR MAX
- Indicate priority of election

## SECTION 4: STANDARD IRS CONTRIBUTION LIMITS — SECOND TAX YEAR (OPTIONAL)

This section is only authorized for individuals who separate in November or December and wish to defer into a second tax year. The order of priority is the order in which you would like the funds to be allocated to the plan (ex: 1st, 2nd, etc.) If the table is incomplete or incorrect, we will process your deferral in the following order: 457(b) Pre-tax; 401(k) Pre-tax.

For help completing this section, **see Section 4 on the worksheet.** Amounts entered in line 4.2 on the worksheet will be used for this section.

| | Plan | REQUIRED | REQUIRED - Choose Amount or Max | | |
| --- | --- | --- | --- | --- | --- |
| | | Priority order (1-4) | Contribution amount | | Maximum IRS limit |
| Standard deferral | 457(b) Pre-tax | | $ | | |
| | 401(k) Pre-tax | | $ | OR | |
| | 457(b) Roth | | $ | | |
| | 401(k) Roth | | $ | | |

# Section 5: SECOND year/Catch-up

- Captures the SECOND year Catch-Up election
- Enter AMOUNT OR MAX
- Indicate priority of election

## SECTION 5: CATCH-UP CONTRIBUTION — SECOND TAX YEAR (OPTIONAL)

If you are not using catch up, please enter "0" in the table to the right. If the table is not completed, no catch-up contributions will be processed.

For help completing this section, **see Section 5 on the worksheet.** Amounts entered in line 5.9 on the worksheet will be used for this section.

**Note:** If utilizing Traditional catch-up for the second tax year, you **must** complete this table **and** attach a copy of your Traditional Catch-up Approval Letter.

Use Section 5 of the worksheet to ensure your allocation is aligned.

| | Plan | REQUIRED<br>Priority order (1-4) | REQUIRED - Choose Amount or Max<br>Contribution amount | | Maximum IRS limit |
|---|---|---|---|---|---|
| **Catch-up deferral** | 457(b) Pre-tax | | $ | | |
| | 401(k) Pre-tax | | $ | OR | |
| | 457(b) Roth | 1 | $ 7.500 | | |
| | 401(k) Roth | 2 | $ 7,500 | | |

# SECTION 6:
# Sign & Date

- Read Disclosures

- Sign and date the form

- Attach TCU Approval letter

- Make a copy

- Submit to HR

- CA Labor Code 201(b) and 202(b)
  - Aka: 5 Workday Rule

**SECTION 6 — ACKNOWLEDGMENT AND SIGNATURE (REQUIRED)**

If you are unsure about the tax implications of your choices, you should consult a Tax Professional before completing, signing, and submitting this form.

- I request a contribution of Lump Sum Separation Pay in accordance with my choice above, and pursuant to California and federal law. I take full responsibility for providing my request to my HR Office no later than five (5) workdays (Monday through Friday, excluding Saturdays, Sundays and legal holidays) prior to my separation date as required under California Labor Code sections 201(b) and 202(b) and understand the terms and conditions of deferring all or a portion of my Lump Sum Separation Pay. I have verified my request prior to submission.

- By signing here, I accept that if my table in Sections 2 and/or 3 is incomplete or incorrect, my Lump Sum Separation Pay may get defaulted into 457(b) first, then 401(k).

- I understand that if I allocate my funds into pre-tax plan(s) but are subject to provisions in Section 603 based on your prior year earnings, SCO will process your catch-up contribution(s) into a Roth 457(b) account.

- If applicable, I have attached a copy of my Traditional Catch-Up Approval Letter. NOTE: IF CLAIMING TRADITIONAL CATCH-UP, YOU MUST COMPLETE THE CATCH-UP TABLE(S) IN SECTION 2 AND/OR 3 AND ATTACH YOUR APPROVAL LETTER.

- I understand that if the value of the leave I have available is for an amount less than I have requested, my request will be reduced to the lesser amount. Please make sure you have an established 457(b) and/or 401(k) prior to submitting this form to ensure that the funds are promptly and appropriately distributed.

- I hereby certify under penalty of perjury that the information on this form is true and accurate to the best of my knowledge.

**Any leave funds that are not directed to your Savings Plus account using this form, or any extra funds that remain after your plans reach the limit, will be paid directly to you upon separation from the State. Applicable taxes apply.**

I understand that my election is irrevocable, and this form cannot be changed, amended, or revoked once submitted to my HR Office.

| Signature | Date |
|-----------|------|
|           |      |

# FAQs and Resources

- Use the New Form

- Timing of deposit

- Resources
    - Savingsplusnow.com/lumpsum
    - Savings Plus Solution Center
    - HR Office Support: Leaverollover@calhr.ca.gov

# Statewide Civil Service Audits Program

Presenter: Tommy Fong

Contact: [Statewide Customer Contact Center](#) (916) 372-7200

**Lump Sum Effective Dates and Deadlines:** [Payroll Letter 25-015](#)

- Personnel Action Request (PAR) Package Dates for November and December Separations
  - When separating November 1-15, 2025
    - 1st PAR must be received at SCO by 11/21/25
    - 2nd PAR (if applicable) must be received at SCO between 12/16/25 to 12/24/25
  - When separating November 16-30, 2025
    - 1st PAR must be received at SCO by 12/02/25
    - 2nd PAR (if applicable) must be received at SCO between 12/16/25 to 12/24/25
  - When separating December 1-31, 2025
    - 1st PAR must be received at SCO by 12/12/25
    - 2nd PAR (if applicable) must be received at SCO between 12/29/25 to 01/09/26
- For Second Tax Year with no first tax year, follow the dates for 2nd PAR.
- Please do not submit Lump Sum PAR Packages before the dates shown above.
- Please Contact the [SCCC](#) for questions on the submission dates.

Presenter: Tommy Fong

Contact: Statewide Customer Contact Center (916) 372-7200

**COVERSHEET – LUMP SUM SEPARATION PAR PACKAGE**

**I. TO:** State Controller's Office          Date: _____
PPSD – Statewide Civil Service Audits

**II. FROM**
Agency Name: _____          Agency Code: _____
Contact Name: _____          Contact Phone: _____
Universal Email: _____

**III. Employee Information**
SSN: _____
First and Last Name: _____

**IV. What type of PAR is in this PAR package? (select one)**
☐ Cash only (when SCO must key)
☐ One tax year Savings Plus Contribution only – Current tax year
☐ One tax year Savings Plus Contribution only – Next tax year*
☐ 1st tax year PAR of a two-tax year PAR Package with Savings Plus Contribution*
☐ 2nd tax year PAR of a two-tax year PAR Package with Savings Plus Contribution*
*November and December separations only

**V. Additional Information**
Did you already submit the PAR type indicated above for this employee? ☐ Yes ☐ No
If Yes, please explain in the Message section below why you are submitting this PAR.

**VI. What is included in this PAR package? (check all that apply)**
☐ Election Form
☐ PAR
☐ 457(b) Traditional Catch-Up Approval Letter (Note: If the EE submitted a 457(b) Traditional Catch-Up Approval Letter, be sure the EE included those Catch-Up contributions on the Election Form.)

**VII. Message**



Do not enter employee contribution amounts on this coversheet. Those amounts must be indicated on the Savings Plus Lump Sum Separation Pay Contribution Election Form submitted with the PAR package.

Please refer to the Statewide Customer Contact Center (SCCC) at (916) 372-7200 for further assistance, or visit the SCO website for additional contact information.

○ For questions related to PARs, follow the prompts for Civil Service Audits.
○ For questions related to payroll or contribution amounts, follow the prompts for Civil Service Payroll.

10/16/25

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# Statewide Civil Service Audits Program

Presenter: Tommy Fong

Contact: [Statewide Customer Contact Center](#) (916) 372-7200

**Reminders:**

- PAR Item 962: Separation Pay at Alternate Salary Rate ([PAM 2.149](#); [PPM Section B 008](#))
  - Pay Differential Established Earnings (EID), Shift Differential (SD): In Line 10 enter all pay differentials and amounts that are used to calculate the employee's (EE) alternate salary rate. For example: $8,936 (base pay) + $228.08 (L8SP2) + $433.31 (Shift Diff) All EID and SD sources must be verified by SCO.
  - If the time in PAR item 620 or 625 hundreds ends in two digits, SCO recommends to round down to show one digit.
    - EX: PAR item 620: 99 720 65
    - Your 962 should look like this: 08950.00-2-99-720.6
    - SCO Payroll will manually issue adjustment to the time to be paid.

# Statewide Civil Service Audits Program

Presenter: Tommy Fong

Contact: [Statewide Customer Contact Center](#) (916) 372-7200

**Reminders Continued:**

- If the employee is deferring into two tax years:
  - On the 1st PAR (current tax year), complete Item 620 (lump sum vacation) with time needed to process the EE's request for the 1st tax year.
    - ➢ Note: Complete Item 625 lump sum extra ONLY after all time in Item 620 is used and more time is needed to cover the EE's request.
  - On the 2nd PAR (next tax year), enter the TOTAL accrued leave in Items 620 and 625 (this TOTAL will reflect what is to be paid out across both tax years).
- The most current [Election Form](#) must be submitted with the lump sum package. No other versions will be accepted.
- To prevent overpayment of the regular pay (item 606) for the employee. SCO highly recommends that the agency key the S70 for regular pay before submitting the lump sum package to SCO through ConnectHR.
- If you would like regular pay to issue with your lump sum payment for the current tax year. Please mark "Pay IMMED. PAR ITEM 615."

# Statewide Garnishment Program

Presenter: LaTreese Menefee

Contact: Statewide Customer Contact Center (916) 372-7200

**Garnishments and Lump Sum Payments**

o Garnishments will be applied to all payments for which there are sufficient wages with the following exceptions.

o Payment Type 3 - Lump Sum Overtime 4 - Lump Sum Vacation 5 - Lump Sum Sick Leave An Earnings Withholding Order for an ordinary money judgment (deduction code 339-007) and/or a Defaulted Student Loan (deduction code 339-008) are exempt and will not be withheld from the following lump sum payment.

o Payment Type 4 - Lump Sum Vacation

o For example, if an employee requests a Savings Plus deferral of $5,000 per pay period and has a $500 garnishment, the garnishment will be deducted from the deferral amount.

o Therefore, the deferral will be $4,500.

  ➤ Calculation: $5,000 (deferral) - $500 (garnishment) = $4,500 (deferral into account).

# Statewide Civil Service Payroll Program

Presenter: Christina Campbell/LaTreese Menefee

Contact: [Statewide Customer Contact Center](#) (916) 372-7200

**Lump Sum Payroll Reminders:**

- If an employee is deferring into two (2) tax years:
  1. First Tax Year PAR: Do not write "all time" on the first tax year PAR. Writing "all time" will lead the SCO payroll team to process the request as stated.
  2. Second Tax Year PAR: On the second PAR (for the next tax year), enter the TOTAL accrued leave in Items 620 and 625. This total should reflect what is to be paid out across both tax years.
  3. Check Universal Email Box: Please check your department's universal email box regularly in case a payroll subject matter expert (SME) requires additional information. Failure to respond within two (2) business days will result in the cancellation of the PAR package.
  4. Lump Sum PAR Processing: Lump sum PAR packages are first reviewed by civil service (CS) Audits and then forwarded to CS Payroll, once the PAR has been keyed the pay will issue with the deferral.

# Statewide Civil Service Payroll Program

Presenter: Christina Campbell/LaTreese Menefee

Contact: [Statewide Customer Contact Center](#) (916) 372-7200

**Lump Sum Payroll Reminders Continued:**

- Do not re-deposit lump sum payments for the following reasons:

  - If HR did not key the Employee Action Request (EAR) before submitting the PAR package to the SCO.

  - If HR wrote "all time" in items 620/625.

- If the HR office encounters a pay issue and suspects an error, promptly contact the SCCC Payroll team for assistance.

**Lastly:**

- It is crucial to submit clear and legible PARS/STD.674 forms to the SCO. Always use only black or blue ink to complete these documents. Ensure all contact information is current and accurate.

- Adhering to these guidelines is essential to avoid your agency receiving a PR250/Ding notice.

- Do not contact the SCO Retirement Program regarding lump sum payroll deferrals or PARS.

# Statewide CS Audits/Payroll Program

Presenter: Christina Campbell/Tommy Fong

Contact: [Statewide Customer Contact Center](#) (916) 372-7200

**When Should I call SCO?**

- **For PAR documentation and processing:** Select #2 for Civil Service, and then #2 for Civil Service Audits.

  o Example: If your PAR is keyed and it is out of service or there is an incorrect lump sum dollar amount on the PAR.

- **For Payroll:** Select #2 for Civil Service, then #4 for Payroll, and then #1 for General Payroll Questions.

  o Example: If the employee elected to defer lump sum contributions but the deferral deductions are missing from the lump sum payments.

Refer to the [CS Weekly Processing Dates](#) on the SCO website to monitor the dates of PAR packages currently being processed. Please do not call inquiring about your Lump Sum PAR Package unless it has passed the weekly processing date.

**December 4, 2025**

# CalHR Benefits Division Updates

*Benefits for a
Life Well Lived.*

# About the Benefits Division

**OUR MISSION**

We administer benefits through stakeholder collaboration that empowers strategic partners to attract, retain and enhance the wellbeing of the State of California workforce.

**OUR VISION**

A thriving State of California workforce that is empowered by high-quality, comprehensive and competitive benefit options to lead healthy, secure and prosperous lives.

# Vision Dental Health Authorization (VDHA)

Presenter: Susan Garrett

# Vision Dental Health Authorization (VDHA) Updates

Presenter: Susan Garrett
Email: VisionDentalHealth.Authorization@calhr.ca.gov

- The Vision Dental Authorization (VDA) list, previously housed in SharePoint, has been decommissioned and replaced with the Vision Dental Health Authorization (VDHA) list in the Family Connect Portal (FCP).

- VDHA is a list of departmental personnel and CalPERS health benefit officers who are authorized to speak directly to vision, dental and health benefit carriers to make changes to employees', retirees' and their dependents' state sponsored benefits.

- Department Admins are automatically added to the VDHA list.

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# Vision Dental Health Authorization (VDHA) Updates

Presenter: Susan Garrett
Email: VisionDentalHealth.Authorization@calhr.ca.gov

- Effective November 19, 2025, through December 19, 2025, Department Admins must assign the VDHA user role to existing Department Users as appropriate.

  - Department Admins will be required to manage all VDHA accounts by approving and removing access for their respective agency code(s).

- Resources for this update will be available on the DRV Benefits Administration Manual (BAM).

- Please contact the email listed above on this slide for questions and assistance.

# Vision Dental Health Authorization (VDHA) Demonstration

Presenter: Susan Garrett

Email: VisionDentalHealth.Authorization@calhr.ca.gov

- Roles in FCP
  - Department Admins
    - Approve departmental personnel office's VDHA user accounts
    - Add VDHA access to existing FCP Department Users.

  - VDHA Users
    - View their contact information on the Manage Users report.
    - Provide their Unique ID in order to speak to the carriers.

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# Vision Dental Health Authorization (VDHA) Demonstration

Presenter: Susan Garrett

Email: VisionDentalHealth.Authorization@calhr.ca.gov

- Today we're conducting a live demo. Our goal is to give you the information that you need to take action.

- Family Connect Portal

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# Resources – CalHR Benefits Webpages

- Benefits Website
- State HR Professionals
- State HR Professionals Benefits Toolkit
- State HR Professionals OE Resources
- HR Manual
- Open Enrollment
- CalPERS Open Enrollment for Active Members
- Virtual Library
- Benefits Calculator
- State Employees

- Health
- Dental
- Vision
- Insurance Benefits
- Consolidated Benefits (CoBen)
- FlexElect Reimbursement Account
- Life Insurance for Excluded Employees
- Group Legal Services
- Group Long-Term Disability Insurance (LTD) – Excluded Employees Only
- Work Resources
- Engagement Resources

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# Resources – CalHR Benefits Contacts

- ACA Program ACA.Policy@calhr.ca.gov
- BAM Training BenefitsInquiries@calhr.ca.gov
- COBRA COBRA@calhr.ca.gov
- Dental Program dental@calhr.ca.gov
- Dependent Re-verification (DRV) Program DRV@calhr.ca.gov
- FlexElect Program FlexElect@calhr.ca.gov
- CoBen Program CoBen@calhr.ca.gov
- Group Legal Grouplegal@calhr.ca.gov
- Life Insurance LifeInsurance@calhr.ca.gov
- Long-Term Disability LTD@calhr.ca.gov

- Third Party Pre-Tax Parking Reimbursement Account Pre-TaxParking@calhr.ca.gov
- Vision/Dental Authorization Portal VisionDental.Authorization@calhr.ca.gov
- Vision Program vision@calhr.ca.gov
- Open Enrollment OpenEnrollment@calhr.ca.gov
- General Questions BenefitsInquiries@calhr.ca.gov

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Presenter: Mason Duarte

Contact: ConnectHRHelp@sco.ca.gov

# ConnectHR:
# Garnishment Feature

# SCOConnect: Cal Employee Connect/ConnectHR

Contact:

**Find an Employee:**

After logging into ConnectHR, the next step is to search for the employee you wish to establish a Garnishment for. To do this, navigate to the "Employee Search" feature.

# SCOConnect: Cal Employee Connect/ConnectHR

Contact: ConnectHRHelp@sco.ca.gov

Within the "Employee Search" section, select a search option from the dropdown.



The search will produce an employee record. Click anywhere on the record that is to the right of the left most feature icons.

| | UEID | Last Name | First Name | DOB | Address |
|---|---|---|---|---|---|
| | 9999-9999-9 | DOE | JOHN D | 07/04/1970 | 300 CAPITOL MALL |

# SCOConnect: Cal Employee Connect/ConnectHR

Contact: ConnectHRHelp@sco.ca.gov

After selecting an employee's record, ConnectHR will display an "Employee Detail" screen. Within the bottom right corner of the "Employee Detail" screen, the Garnishment feature will be listed within the "HR Operations" dropdown.

Contact: ConnectHRHelp@sco.ca.gov

**"Add" Garnishment:**

The electronic Garnishment form currently provides a dropdown with options to indicate if the operation is an Add or Cancel. For the Garnishment setup the "Add" option should be selected.

Contact: [ConnectHRHelp@sco.ca.gov](mailto:ConnectHRHelp@sco.ca.gov)

After indicating the "Add" option within the form. A new dropdown will be provided to select the Garnishment type within "step 1" of the form.

**Select Garnishment Type**

| Select garnishment type. Type here to filter ▲ |
|---|
| 339/003 Federal Taxes |
| 339/004 FTB - State Taxes |
| 339/004 FTB - Court Ordered Debt |
| 339/004 FTB - Registration Collections |
| 339/004 FTB - Student Loan Collections |
| 339/004 Board of Equalization for Taxes |
| 339/004 Unemployment Insurance |
| 339/007 Earnings Withholding Order |
| 339/008 Federal Student Loans |

Contact: ConnectHRHelp@sco.ca.gov

"Step 2" of the Garnishment "Add" option contains all required form fields.

**Step 2:** Fill in the required information below

Case number ⓘ

> 12345678

Effective date ⓘ

> 05/12/2025

Total garnishment amount ⓘ

> $ 0.00

If more information on a section is needed, the "i" information icon can be clicked next to each section.

Effective date ⓘ

**Effective Date**

Must be 10 calendar days after the date on which the garnishment was served. If the garnishment is a "Jeopardy" withholding order for state taxes, the effective date must be the date served.

# SCOConnect: Cal Employee Connect/ConnectHR

Contact: ConnectHRHelp@sco.ca.gov

If applicable a section for the optional Garnishment fields will be included.

**Step 3:** Complete **ONLY** one of the following if the court order specifically states

Maximum amount deductible per month ℹ️

> $ 0.00

Specific amount to be deducted per month ℹ️

> $ 0.00

Please check and confirm the address listed within "Payee Address Preview" matches the Garnishment. This field is based on the selected Garnishment from the "Step 1" dropdown and may require manual keying. After reviewing all fields, click "Submit Garnishment" at the bottom of the form.

**Payee Address Preview:**

> FRANCHISE TAX BOARD

> PO BOX 942867

> SACRAMENTO CA 94267-0011

>

Submit Garnishment

# SCOConnect: Cal Employee Connect/ConnectHR

A Garnishment Confirmation window will allow an additional opportunity to review the keyed information.

After submitting, the ConnectHR user will receive a confirmation email.

## ConnectHR - Garnishment Request Confirmation

This is confirmation that your Garnishment Request has been submitted. Details below:

| General Request Information | |
|---|---|
| Request Timestamp | |
| Employee UEID | |
| Employee Name | |
| Case Number | |
| Effective Date | |
| Total Garnishment Amount | |
| Specific Amt. per Month | |
| Max Amt. per Month | |

Contact: [ConnectHRHelp@sco.ca.gov](mailto:ConnectHRHelp@sco.ca.gov)

**"Cancel" Garnishment:**

The cancelation of a Garnishment can be done via the "Cancel" option within the first dropdown.

Contact: ConnectHRHelp@sco.ca.gov

The "Step 2" section of the "Cancel" option within the electronic Garnishment form will list out all currently active Garnishments for the selected employee. To cancel a garnishment, click on the desired Garnishment and click the "Submit Cancellation" button.

**Step 1:** Select the type of garnishment deduction to be established.

**Select Operation**

Cancel ▾

**Step 2:** Select a garnishment to cancel below

| Effective Date | Deduction ID | Garnishment Type | Collected Amount | Total Garnishment Amount |
|---|---|---|---|---|
| 01/07/2025 | 339003 | FEDERAL TAX LEVY | 0.00 | 999.00 |
| 01/07/2025 | 339004 | STATE TAX LEVY | 0.00 | 999.00 |
| 01/07/2025 | 339007 | REGULAR GARNISHMENT | 0.00 | 999.00 |

Submit Cancellation

Contact: ConnectHRHelp@sco.ca.gov

**Upcoming Feature Update - "Modification" Garnishment:**

The modification of a Garnishment is an upcoming feature update.

👤 Garnishment - (339)

**Step 1:** Select the type of garnishment deduction to be established.

**Select Operation**

Select operation type ▲

Add

Cancel

Modify

Contact: ConnectHRHelp@sco.ca.gov

The selection of the "Modify" option will list out all currently active Garnishments for the selected employee. To submit a modification, click on the desired Garnishment and ConnectHR will list out the Garnishment fields that are subject to modification.

**Step 1:** Select the type of garnishment deduction to be established.

**Select Operation**

Cancel

**Step 2:** Select a garnishment to cancel below

| Effective Date | Deduction ID | Garnishment Type | Collected Amount | Total Garnishment Amount |
|---|---|---|---|---|
| 01/07/2025 | 339003 | FEDERAL TAX LEVY | 0.00 | 999.00 |
| 01/07/2025 | 339004 | STATE TAX LEVY | 0.00 | 999.00 |
| 01/07/2025 | 339007 | REGULAR GARNISHMENT | 0.00 | 999.00 |

**Total garnishment amount** ℹ

$ 999.00

**Number of Exemptions / Dependents** ℹ

02

**Standard Deductions** ℹ

Married Filing Jointly — [2]

Submit Modification

55

# PPSD General Reminders

When you reconcile payroll, check that these *details* are correct:

- Withholdings and deductions

- Employer taxes

- Hours worked, including overtime, vacation time, sick days, etc.

- Wages and salaries

Make sure the numbers recorded are reasonable. Look at past payrolls to see if current pay period is similar. If there is a large difference, learn the cause. Then, make sure each transaction you entered is correct.

Resource: Payroll Procedures Manual (PPM) Section M

# PPSD General Reminders

- Utilize ConnectHR to submit documents or upload data

- Please **do not** email forms that include employees' social security number (SSN) to the ConnectHR Team. All attachments containing SSNs are automatically deleted.

- Check Weekly Processing Dates before utilizing the Escalation Email process

- Update California Personnel Office Directory (CPOD)

- All HR Offices must promptly address all email messages that come through their Departmental Universal Email established with SCO (e.g., Ding Notices, ConnectHR Direct Deposit Feature – Approval Required, etc.)

- The PPSD Register – PPSD's Monthly Newsletter

- Check out our recommended Human Resources subscriptions

- HR offices calling the Statewide Customer Contact Center (916) 372-7200 must listen to the prompts carefully and patiently to select the appropriate program area who may best assist with their inquiry.

- Share this information with your Human Resources Team!

# Helpful Resources

**State Controller's Office:**
- SCO Website
- Library and Resources - Communication. Manuals/Guides/Toolkits. Forms. FAQs.
- Personnel Action Manual (PAM)
- Payroll Procedures Manual (PPM)
- Statewide Customer Contact Center (SCCC)

**CalHR:**
- CalHR Website
- Contact CalHR
- Human Resources Professionals
- Benefits Website

**CalPERS:**
- CalPERS Website
- Circular Letters
- my|CalPERS
- State Reference Guide (PDF)
- CalPERS Email Subscriptions

*When in doubt, ask your Supervisor or Manager for guidance!*

# SCO Contacts

**Web Resources:**

- HR Personnel | [Webpage](#)
- State Employees | [Webpage](#)

**Contacts:**

- Affordable Care Act (ACA) | [Contact Email](#)
- Cal Employee Connect (CEC) | [Help and Feedback](#)
- ConnectHR | [Help and Feedback](#)
- California Leave Accounting System (CLAS) | [Contact Email](#)
- Civil Service Escalation Email (HR Supervisors and Managers) | [Contact Email](#)
- Decentralized Security Administration & ViewDirect Access | [Contact Email](#)
- PPSD HR suggestions (All HR Staff) | [Contact Email](#)
- Management Information Retrieval System (MIRS) | [Contact Email](#)